HWG | HARRIS, WILTSHIRE & GRANNIS LLP

15 October 2018

Ex Parte

Marlene H. Dortch
Secretary, Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Expanding Flexible Use of the 3.7 to 4.2 GHz Band; GN Docket No. 18-122

Dear Ms. Dortch:

On 11 October 2018, Jordi Bosom, Chief Strategy and Business Development Officer for Hispasat, Srini Prasanna, Executive Vice President, Regulatory Affairs for ABS US Corp. ("Asia Broadcast Satellite"), Abdolmajid Khalilzadeh, Senior Director of Regulatory Affairs for Asia Broadcast Satellite, Phillip L. Spector, and Shiva Goel and I of Harris, Wiltshire & Grannis LLP met with Rachael Bender of Chairman Pai's Office, and separately with Robert Chen, Peter Daronco, Joyce Jones, Roger Noel, Paul Powell, Becky Schwartz, Jeffrey Tignor, and Brian Wondrack of the Wireless Telecommunications Bureau. We also met with Jose Albuquerque, Christopher Bair, Paul Blais, Diane Garfield, Jennifer Gilsenan, and Kerry Murray of the International Bureau and Michael Ha of the Office of Engineering and Technology, a meeting that Ms. Schwartz and Messrs. Daronco and Powell of the Wireless Telecommunications Bureau also attended.

At each meeting we discussed the attached presentation regarding the Commission's proposal to permit additional terrestrial use of the lower C-band.

Sincerely,

Scott Harris

Scott Blake Harris
Counsel to Hispasat

cc: meeting attendees

ATTACHMENT

FAIRNESS AND THE C-BAND: THE ROLE OF SMALL SATELLITE OPERATORS

Presentation to the FCC
GN Docket No. 18-122
October 11, 2018

INTRODUCTION

- A group of the world's largest satellite operators – Intelsat, SES, Eutelsat, and Telesat – is proposing that the FCC authorize them to create a clearinghouse or "consortium"
  - This group of large operators has proposed to "clear" for terrestrial carriers to use for 5G wireless services a portion (100 MHz or more) of the lower C-band (3700-4200 MHz) across the United States
  - The proceeds from terrestrial carriers would be used to clear the band of satellite earth station users, with any funds left over to be divided among the members of the consortium.
- The Commission in July 2018 issued an NPRM raising a number of issues about the proposal of the large satellite operators to act as the C-Band "Transition Facilitator"
- One issue for the consortium (now called the C-Band Alliance ("CBA")) relates to the division of proceeds: how the funds left for the satellite operators would be divided among the various companies with operations or potential C-band operations in the United States

SMALL SATELLITE OPERATORS WITH US C-BAND SATELLITE FACILITIES

- ABS operates a fleet of 6 satellites, providing data, Internet, and media services around the world
  - One of its satellites, ABS-3A (launched in 2015), was designed specifically to serve (among other places) North America in the C-band (uplink: 5925-6425 MHz; downlink: 3700-4200 MHz)
  - This satellite is on the FCC's Permitted List (FCC Call Sign S2987)
  - ABS also holds an FCC license for an earth station in Hudson, New York (FCC Call Sign E180019)
  - ABS has offices in Potomac, Maryland, and other US locations, with US-based sales, technical, and regulatory personnel

SMALL SATELLITE OPERATORS WITH US C-BAND SATELLITE FACILITIES (cont'd)

- Hispasat operates a fleet of 11 satellites, primarily in Europe and the Americas
  - One of its satellites, Amazonas-3 (launched in 2013), was designed to and is capable of transmitting between US points in the C-band (full 500 MHz, two polarizations)
  - This satellite is on the FCC's Permitted List (FCC Call Sign S2886, in the name of Hispasat subsidiary Hispamar Satellites)
  - Hispasat already provides services between US points in the Ku- and Ka-bands

SMALL SATELLITE OPERATORS WITH US C-BAND SATELLITE FACILITIES (cont'd)

- Star One operates a fleet of 7 satellites, primarily in the Americas
  - Three of its satellites – Star One C1 (launched 2007; FCC Call Sign S2677), Star One C2 (launched 2008; FCC Call Sign S2678) and Star One C3 (launched 2012; FCC Call Sign S2845) – are capable of transmitting to and from US points in the C-band
  - These satellites are on the FCC's Permitted List

SMALL SATELLITE OPERATORS WITH US C-BAND SATELLITE FACILITIES (cont'd)

- All of these small satellite operators ("SSOs") have invested substantial capital to construct, launch, and operate satellites serving the US market through the use of the C-band and other frequency bands
  - They have secured US market access by complying with the Commission's stringent technical and other requirements for inclusion on the Permitted List
  - The SSOs made significant investments for provision of C-band services on their satellites well in advance of the NPRM – and not for speculative reasons
  - These satellites have substantial remaining in-orbit life (*e.g.*, the projected ABS-3A end of life is 2042)
- All of the SSOs planned to sell C-band communications services to/from US points via their satellites on the Permitted List
- While none of the SSOs have yet realized revenue from C-band services to/from US points, all intend to do so.

DIVISION OF THE PROCEEDS RECEIVED BY THE CBA CONSORTIUM

- The large satellite operators that created the CBA have not explained how they would propose to divide the proceeds remaining after band-clearing activities
- At a minimum, any proceeds that become available should compensate both the satellite operators and their customers for the investments that they have made in C-band facilities to serve the United States
- An equitable approach might focus on the amount of C-band spectrum and associated transponders capable of communicating with the US and authorized on the Permitted List.
  - This facilities-based approach would provide compensation to those satellite operators that have invested in satellites to serve the US market
  - The FCC's July 2018 NPRM suggested that "eligibility to participate in the Transition Facilitator" might appropriately be opened to all satellite operators holding FCC "grant[s] of market access"

CONCLUSION

- The SSOs are generally supportive of the effort by the CBA group to develop a private sector solution to clearing C-band spectrum for 5G use
- The SSOs are able to support such a plan, however, only if there are appropriate safeguards to ensure fairness among the various satellite operators with C-band facilities covering the US, including both the large ones in the CBA and smaller ones
- The Commission should require, as part of any approval of the CBA proposal, that an equitable allocation mechanism be developed to deal with the concerns of the SSOs and to compensate them for their investments in C-band to serve the United States